



## ***“PARCing” INFORMATION THROUGHOUT THE CORPS (PARC STAFF)***

### **CREDIT CARD MANIA**

*(Jerry Merchant, CEPR-O)*

#### **Credit Card Delinquencies, New Awards**

As we cleared the Old Rocky accounts out, the outstanding bills suddenly began to creep up again. We have ascertained that this arose from merchants/vendors submitting invoices with the old account numbers and not going through a bank authorization process which would have caught the old numbers. Please advise cardholders to work with their vendors. When invoices come in with the old account numbers, dispute them. A significant lag is beginning to show up on some of the new Bank platform accounts. Please be vigilant in policing these accounts. Catching has been a tremendous effort on all your parts, we don't want to lose any of the ground we've gained. It was much too hard to get here.

New awards have been announced by GSA. Several Banks have received contract awards for purchase cards, including the incumbent contractor. DoD will pick the Bank for all activities, including the Corps. APC's would be well advised to monitor the Home pages of GSA Federal Supply Service and the Army Acquisition Home pages for the latest news in contract awards and award of a DoD delivery Order. The new contract period begins November 1998.

At the DOD Acquisition Reform Week III ceremonies in Pentagon courtyard on 4 May 1998, five David Packard Acquisition Awards were presented by Mr. William Cohen, Secretary of Defense. One was to The Department of Army Purchase Card Program Team. Mr. Jerry Merchant, Agency Program Coordinator, Level 3, was a team member as were Messrs. Beil and Best of CERM. Afterwards, individual certificates handed out by Mr. Gregory and Dr. Oscar.

The new bank contractor(s) has not been selected. Software solutions of all six awardees are being examined. CEFMS is being taken into account in this effort. The current contract expires 30 November 1998. A new task order/orders will be issued well before that time in order to effect an orderly transition. The incumbent contractor is one of the six awardees, but even if that bank should again be selected, the terms of the contract will have changed and new cards will be issued. Current information will be web posted at <http://www.purchasecard.dfas.mil/>, the PARC Homepage, and disseminated to Program Coordinators by E-mail. As you have been notified, the new Travel Card (NationsBank) has been selected by DOD. This came from the same solicitation and same slate of awardees.

As we adopt more private sector methods, private sector terms come into usage. The following are generally applicable in most financial institutions, and are included for your reference: Level 2 is Department (home office), Level 3 is MACOM (profit center), Level 4 is District or Installation (plant), Level 5 is the Cardholder (same).

Mr. Bruce Sullivan, known to all as the Army Program Coordinator, Level 2, is now the DOD Program manager for Purchase Cards. As in the past, Bruce will continue to work closely with Kathy Miller of ASA(FM) and the cross-functional teaming in HQ USACE will continue. Resource Management is both partner and customer in this great adventure, but the

gateway to the contract will continue to be the Program Coordinator at the District or Laboratory. Our Acquisition Counterparts are in the Service and DOD Headquarters and at GSA. This is a multi-billion dollar program now, and it has saved the taxpayers billions of dollars. But don't think exclusively micropurchase at this point. Online buying of commercial items is the future, and digital money is the specie used therein. The contracts are going to be used to convey a host of other financial services, though all involve lines of credit. In general, the term "financial services" means a line of credit, and we must never lose sight of the fact that we are borrowing money in good faith and conduct ourselves accordingly. Cardholders cannot be reminded too much of this, the whole world is watching.

### LESSONS LEARNED FROM CONGRESSIONALS

*(Jerry Merchant, CEPR-O)*

The more persistent problem is that of payments. Contractors submitting claims expect payments far sooner than can be reasonably anticipated given the time required for audits and negotiations. Then should be emphasized in post award conferences. Many problems however are just things falling through the cracks. It is vital that close working relationships be maintained with your RM's.

On a related note, though we have no guidance from DOD or Army as yet, Electronic Funds Transfer (EFT) for all payments including contracts, must be in place by 1 January 1999. Those are all instruments, not just new awards. (The Law was signed in April of 1996.) Treasury can, under the law, fine non-compliant agencies. (At what level the fine would be levied is not yet known.) This is a heads up, we are working cross-functionally to get EFT in place as the requirement has an impact on many areas, finance, contracting, travel, logistics, and human resources, just to name a few.

The hollow contract issue is not just an internal one, it has been elevated to members of the Congress on a number of occasions. This is particularly embarrassing for very high dollar contracts. We need to strive to keep our estimates realistic and avoid "field of dreams" dollar limits on these contracts.

### CENTRAL CONTRACTOR REGISTRATION (CCR) UPDATE

*(Angela Billups, CEPR-P)*

As you know the new applicability date for CCR is 31 May 98. But there were several other areas of concern noted in the message:

**Problem:** The CCR database query affects our ability to identify small business concerns in CCR database and to send presolicitation notices...

**Solution:** CCR really does not affect our ability to identify small businesses for presolicitation purposes. The CCR database will make this process more efficient because you have the ability to limit your query to very specific criteria. The presolicitation requirement outlined in the EFARS will be reviewed for applicability in light of several new initiatives such as: Electronic Bid Sets, Business Opportunity Pages, Synopsis in CBD and CCR. The presolicitation notices were required for the purpose of avoiding the cost associated with sending out large sets of specifications to potential offerors which may or may not be interested in the project.

**Problem:** The other problem I foresee is the actual creation of the presolicitation list and mailing labels from the CCR database...

**Solution:** The EFARS will be reviewed to address the value of requiring presolicitation notices. If it is determined that the presolicitation notices are necessary, a process will be developed to create mailing labels from the CCR data.

There are not any plans to create an interface between SAACONS and CCR per a telephone conversation with SAACONS, PM. A link between CCR and SPS is being discussed but the details are not final.

### **ACQUISITION OF INFORMATION TECHNOLOGY**

*(Col Anita Moyer, CEPR)*

The Product Manager, Small Computer Program (SCP), Systems Management center, U.S. Army Communications-Electronics Command (CECOM) encourage the use of several standard contracts for the acquisition of Information Technology (IT). These contracts provide new general purpose IT (e.g., business systems, desktops, infrastructure, and solutions for Year 2000, Process Reengineering, and Information Security).

The migration to standard products allows the most effective leveraging of IT assets. Those familiar with the contracts have been impressed by their low administrative fee (1-2%). They have also found that by using these contracts they save administrative costs, reduce acquisition lead-time, and save on the cost of many items.

Use their web site to check out these contracts and compare to other contracts (like GSA, etc). Details of the contracts are on CECOM's web site at [www.monmouth.army.mil/scp](http://www.monmouth.army.mil/scp). You can also get to this web site from the USACE, CEIM-I Homepage--drill down and the link is under IT contracts. The URL is: [www.usace.army.mil/inet/functions/im/ceimi/itcong2.htm#defense](http://www.usace.army.mil/inet/functions/im/ceimi/itcong2.htm#defense).